



The Recovery Act in Michigan:

- \$1.35 billion in advanced battery grants will create 40,000 jobs by 2020.
- \$243 million to Michigan's Community Action Agencies will weatherize 40,000 homes & fund 1,000 jobs.
- SBA provided more than \$650 million in Recovery Act-funded loans to Michigan small businesses.
- Michigan lands 10 % of all Advanced Manufacturing Tax Credits, triggering \$750 million in private sector investment.
- Michigan companies use Recovery Act funds to move into wind and solar manufacturing, creating jobs and diversifying Michigan's economy.

The Recovery Act: Helping Build a New Michigan Economy



The Recovery Act is putting people to work today while helping us build a new Michigan economy for tomorrow.

In the 18 months since the Recovery Act became law, Michigan has used these federal funds to create or retain more than 54,000 jobs. Thanks to the Recovery Act, people are building roads, improving water systems, educating our children and making our homes and public buildings more energy efficient. And Recovery Act funding has helped ensure that even in the midst of a global economic downturn, we can still provide vital assistance to our most vulnerable citizens.

The Recovery Act, though, is doing more than just creating immediate jobs and fortifying the social safety net. Priorities built into the Recovery Act are supporting our economic diversification efforts, putting Michigan at the forefront of the new energy economy and securing our position as the center for advanced automotive technologies in North America. Today, Recovery Act dollars are hard at work helping Michigan companies build advanced batteries for electric vehicles, and retool to build wind turbines, solar panels and their components.

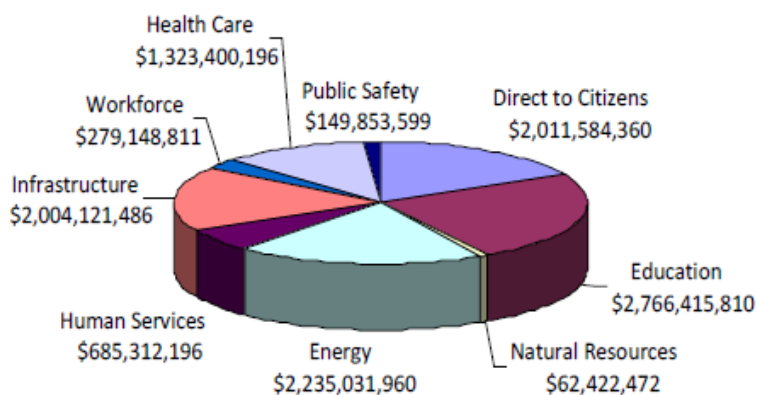
Through our diversification and education initiatives at the state level, we have laid the foundation for a new Michigan economy. The Recovery Act's focus on new energy, livable communities and cutting-edge automotive technology builds upon that foundation and moves us forward on the path to a brighter future for Michigan.

Governor Jennifer M. Granholm

How much money is Michigan receiving?

This chart represents Recovery Act grants, contracts, and loans allocated to Michigan. It includes benefits that have gone directly to recipients, such as unemployment benefits, food assistance, and Medicaid.

Recovery Act Funding Allocated to Michigan



WHY MICHIGAN?

Michigan won more than half of all the Recovery Act grants for advanced battery technology. Why Michigan?

In late 2006, Governor Granholm implemented a strategy to make Michigan the leader in advanced automotive battery technology, offering up to \$700 million in refundable tax credits to encourage companies to develop and manufacture advanced batteries in Michigan. These tax credits — the first of their kind in the country — signaled Michigan's commitment to support and transform its signature industry, and were a key factor in the Department of Energy's decision to invest most of the Recovery Act advanced battery dollars in the state of Michigan.

The Recovery Act: Sparking Michigan's New Energy Economy



Governor Granholm announces the nation's first advanced lithium-ion battery intended for mass production, assembled at the General Motors Brownstown Battery Pack Assembly Plant.

Key Recovery Act investments are accelerating growth in Michigan's alternative and renewable energy industries. To date, the Recovery Act has pumped more than \$1.4 billion into Michigan companies that design, develop, and manufacture everything from advanced automotive batteries and fuel cells to wind turbine components and photovoltaic systems. Michigan companies have scored big wins in the national competition for Recovery Act energy funding, helping secure the state's position as a leader in the new energy economy.

- Nearly half of all Recovery Act grants for advanced battery technologies -- \$1.35 billion -- were awarded to 12 Michigan projects.
- Advanced battery grants in Michigan will create an estimated 6,800 jobs in the first 18 months, and up to 40,000 jobs by 2020.
- Twelve Michigan companies, from Holland to Monroe, received \$242 million in Advanced Energy Manufacturing Tax Credits through the Recovery Act, triggering more than \$750 million in private sector investment.
- Michigan received more than 10 percent of all the Advanced Energy Manufacturing Tax Credits nationally, with the \$141.8 million for Hemlock Semiconductor one of the three largest tax credits awarded through the Recovery Act.
- With Recovery Act dollars, the state invested \$15.5 million in five small Michigan businesses, helping them diversify into renewable energy systems and create more than 700 jobs over the next two years.

Battery Capital in the Making

Targeted state incentives combined with a Recovery Act investment of \$1.35 billion is telling the world that Michigan is the place to be if you want to design, develop, manufacture or implement advanced automotive battery technology.

Case in point: On June 8, TSC Michigan, Inc. – a subsidiary of the Korean battery firm Techno Semichem – moved in to a long-vacant building in Northville Township, transferring their lithium-ion battery facility from Korea to Michigan. TSC Michigan will employ 279 at the Northville plant, and the move will create an additional 1,394 indirect jobs in the region.

At the ribbon cutting ceremony, Governor Granholm announced that to date, sixteen advanced automotive battery and battery technology companies have committed to set up shop in Michigan, bringing an estimated 62,000 new jobs to the state.

“Michigan is stepping into its role as the battery capital of the nation and, we hope, the world,” said Granholm. “This is not by accident. We focused on this industry. We knew we had to be good partners and make a good business case.”

The Chevy Volt, powered with advanced automotive batteries produced at GM’s Brownstown facility.

Many Michigan companies won millions in competitive Recovery Act grants to fund renewable energy projects, including:

- \$2.4 million to Delphi Corporation to develop & test fuel cell technology
- \$1.9 million to two Michigan companies & the University of Michigan for wind energy technology
- \$103 million to two Michigan companies for Smart Grid technology & appliances
- \$448,032 to three Michigan companies to support clean energy innovation projects in small businesses
- \$17.9 million to American Process, Inc. for advanced biofuels production

Battery Projects Gearing Up



Michigan companies are wasting no time putting their Recovery Act dollars to work. In the months since Vice President Biden traveled to Michigan to announce the grant recipients, Michigan’s winners are busy building, hiring, testing, and gearing up production.

- Dow Kokam in Midland will break ground on a new production facility in June 2010, creating 1,000 immediate jobs in construction.
- Johnson Controls-Saft in Holland is currently retrofitting an existing plant and installing new equipment. By summer 2010, they’ll begin testing and validating battery systems, and by fall will begin shipping products to their first customer.
- Compact Power/LG Chem expects to break ground on their new advanced battery facility in Holland in the summer of 2010.
- A123 in Livonia has hired engineers, and will begin testing its production lines by summer of 2010. In early fall, the company will begin commercial production on a contract for Fisker.
- General Motors’ Brownstown Township facility is up and running, producing the nation’s first lithium-ion battery pack. Batteries from the Brownstown plant will power the new Chevy Volt.

Moving Michigan toward Clean Energy Manufacturing

With Recovery Act funding from the U.S. Department of Energy, the state of Michigan awarded five Michigan businesses \$15.5 million in Clean Energy Advanced Manufacturing (CEAM) grants. The goal: provide the seed money for small Michigan companies to expand and diversify in to clean energy manufacturing. The first five CEAM recipients are busy hiring engineers and technicians, retooling factories, and reconfiguring production facilities to design and build products for the solar and wind industries. With the help of the Recovery Act, these five companies expect to create 713 new jobs by 2011 and 1,400 jobs by 2014:

- **Energetx Composites, LLC** in Holland – awarded \$3.5 million to manufacture large scale, advanced-composite wind turbine blades
- **Astraeus Wind Energy, Inc.** in Eaton Rapids – awarded \$7 million to manufacture wind turbine blades and hub components
- **Loc Performance Products, Inc.** in Plymouth – awarded \$1.5 million to manufacture planetary gears and gearboxes for wind turbines
- **LUMA Resources LLC** in Rochester Hills – awarded \$.5 million to manufacture residential photovoltaic solar materials
- **Merrill Technologies Group** in Saginaw – awarded \$3 million to manufacture large scale, wind turbine blades and system components



Energetx: Building Boats & Blades

"Energetx is a proud Michigan company with a solid foundation that instead of resting on its laurels, decided to build on its strengths and expand into clean-energy manufacturing. Its effort takes us one step closer to our goal of making Michigan the center of the nation's new energy economy."

—Governor Jennifer Granholm, February 5, 2010

Energetx Composites of Holland, Michigan -- a subsidiary of S2 Yachts -- received a \$3.5 million Clean Energy Advanced Manufacturing (CEAM) grant for retooling to produce wind turbine blades and components. Energetx expects to employ more than 160 new workers by next summer. By 2016, the company expects its expansion will create 1,000 new jobs and add more than 1,500 spin-off jobs to the regional economy. In May, Energetx announced that Spanish wind energy firm Aeroblade had selected Energetx to produce utility-scale wind turbine blades for all its North American customers.



Workers prepare wind turbine molds at the Energetx Composites plant in Holland, Michigan.

Weatherization Dollars Save Energy, Create Jobs for Michigan Workers

Weatherization Technician Kimathi Boothe performs an energy audit on a home in Pontiac.



"I really needed to find steady full-time employment. I was able to stave off foreclosure of my house and I can really appreciate that. There are a lot of people losing their houses, a lot of people struggling for steady work. I really feel blessed to find this program."
- Timothy Peck, Weatherization Technician, Oakland County

Michigan's 30 Community Action Agencies are putting \$243 million in Recovery Act dollars to work weatherizing homes all over Michigan - reducing energy costs for Michigan families, cutting greenhouse gas emissions, and creating good jobs. Between May and August, Michigan expects to weatherize 6,900 homes. Over two years, Recovery Act dollars will help weatherize 40,000 homes statewide and create an estimated 1000 jobs for Michigan workers. Families making up to 200 percent of the federal poverty level - about \$44,000 a year for a family of four - are eligible to apply for weatherization assistance. Trained technicians conduct detailed home energy audits to find the most cost-effective ways to cut energy use and save homeowners hundreds of dollars annually on their utility bills.



Tax Credits Reward Clean Energy, Prompt Private Investment

The Recovery Act provided a variety of tools to help companies expand and diversify into the alternative and renewable energy industry. \$2.3 billion in Advanced Energy Manufacturing Tax Credits – also known as 48C tax credits – provide an incentive for companies to move into clean energy manufacturing. Worth up to 30 percent of each project, 48C tax credits help companies leverage the private capital necessary to take clean energy manufacturing projects from design to production.

Twelve Michigan businesses won \$242 million in 48C tax credits, funding projects from Holland to Monroe and triggering more than \$750 million in private sector investment throughout the state. Michigan's 48C tax credits represent 10 percent of all credits awarded, with \$141.8 million for Hemlock Semiconductor the third largest in the nation. Along with Hemlock Semiconductor, the winning companies include Dow Chemical in Midland, Dow Corning in Hemlock, Great Lakes Industry in Jackson, Guardian Industries in Carleton, ilumisys, Inc. in Troy, Rogers Foam Automotive in Flint, Stirling Energy Systems in Livonia, United Solar Ovonic in Auburn Hills and VenTower Industries in Monroe, and Energetx Composites in Holland.